#### 3/10/77

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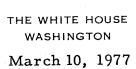
5004.05	DATE	RESTRICTION	
FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	
memo w/ attach.	From Robert Lipshutz to The President (2pp.) / attached to memo from Rick Hutcheson to Robert Lipshutz	3/10/77	С
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FILE LOCATION

Carter Presidential Papers-Staff Offices Office of the Staff Sec.- Pres. Handwriting File  $3/10/77~{\rm Box}~12$ 

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#### STU Eizenstat -

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

#### Rick Hutcheson

cc: Bob Lipshutz Doug Huron Jack Watson

Re: Proposed Agency for Consumer Advocacy (ACA)



### Mr. President:

Watson and Lipshutz concur with Eizenstat, except for three points, which are brought to your attention at the appropriate point in Stu's memo.

Rick

# THE WHITE HOUSE WASHINGTON

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#### THE WHITE HOUSE

WASHINGTON

March 4, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT

SUBJECT:

Proposed Agency for Consumer

Advocacy (ACA)

This memorandum was prepared under my supervision by Si Lazarus of the Domestic Policy Staff and Harrison Wellford, Peter Petkas, and Stan Morris of OMB.

#### Background

You have indicated your commitment to the concept of a consumer agency both in the campaign and in your February 14, 1977, meeting with consumer representatives. We are not planning to introduce an administration bill but to present our views on major issues informally and through testimony. Before we proceed to communicate the Administration's position on the specifics of the new agency, we need your guidance in three major areas. These are:

- -- independence vis-a-vis the President;
- -- the status of the agency vis-a-vis other agencies and private parties;
- -- the organization of the agency.

In each of these areas, this memorandum will set out the issues and available options. It will compare the bill as passed by the House in the 94th Congress and the draft prepared by the Senate Government Operations Committee staff for possible introduction into the 95th Congress.

#### I. INDEPENDENCE

Three issues relate to the proposed agency's independence from Presidential oversight. These are:

- -- the term of the Administrator;
- -- the degree of agency self-representation in the courts; and
- -- budgetary and legislative by-pass authority.

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#### A. Term of the Administrator

Senate bill: Administrator coterminous with the President; removable only for cause.

House bill: Administrator serves at the pleasure of the President.

The traditional executive position has been to support appointees who serve at the pleasure of the President to assure some agency accountability. Chairman Brooks also favors such a provision. Ralph Nader and other consumer leaders support an administrator with a fixed term.

#### Decision (check one option)

- Administrator with a fixed term (Senate bill)
- 2. Administrator who serves at the pleasure of the President (House bill) (Recommended)

#### B. Judicial Representation

Both bills: ACA will represent itself in court rather than being represented by the Justice Department.

The Justice Department recommends that the ACA represent itself in all courts except the Supreme Court. The Department feels strongly that, here, as in most other cases involving federal agencies, the Solicitor General should select those cases that merit the attention of the Supreme Court. Consumer groups, on the other hand, argue that such a limitation would impair the agency's effectiveness and create a conflict of interest for Justice, since it would normally have represented the very agency challenged by the ACA in the lower courts.

#### Decision

#### See Comment 1. A - Attached

- Judicial self-representation except before the Supreme Court.
- 2. Complete self-representation
   (Both bills) (Recommended)

### C. Budgetary and Legislative By-Pass

Both bills: ACA annual report, submitted simultaneously to the President and Congress, would contain recommendations for future funding levels as well as legislative recommendations.

The executive branch has traditionally opposed bills which require agency budget and legislative recommendations to be transmitted to Congress before the President has reviewed them.

#### Decision

- 1. Support legislative and budgetary by-pass authority.
- Oppose legislative and budgetary by-pass authority. (<u>Recommended</u>)



### II. STATUS OF THE AGENCY IN RELATION TO OTHER PARTIES

The primary function of the ACA would be to intervene in federal agency proceedings on behalf of consumers. But the scope of the agency's participation in decision-making and the agency's access to information, need to be defined and clarified.

## A. Participation in Agency Decision-Making

Both bills: Authorize ACA intervention in formal and informal agency "proceedings" as well as "participation" in "any activity" of an agency that might substantially affect consumers.

There is no objection to the ACA's intervening in formal and informal proceedings. But the scope of its right to "participate" in "activities" is unclear. For example, could the ACA demand a right to participate in meetings, luncheons, informal discussions, etc., or to require an account of them, in order to comment on the subjects discussed?

#### Decision

 Retain present language broadly authorizing the ACA to participate in agency "activities." (Both bills) 2. Add language clarifying that, with respect to "activities" not covered by the Administrative Procedure Act, the ACA may communicate orally or in writing as the host agency wishes, but may not require an account of the subjects considered in such activities. (Recommended)

Sounds overly bee

#### B. ACA Role in Enforcement

Senate bill: provides for ACA intervention in enforcement proceedings.

House bill: requires ACA to work through agency enforcement officials rather than to intervene independently.

The Justice Department feels strongly that turning the ACA into a second prosecutor in enforcement proceedings would be unnecessary and unfair. Consumer groups feel that ACA intervention in enforcement proceedings will assure that the enforcement agency adequately considers consumer interests.

#### Decision

#### See Comment B, Attached

 Allow intervention by ACA in agency enforcement proceedings. (Senate bill)

 $\sqrt{\phantom{a}}$ 

- Require the ACA to work through agency enforcement officials. (House bill) (Recommended)
  - C. Access to Private Sector Information (Interrogatories)

Senate bill: ACA may direct interrogatories (written questions) to businesses above a certain size if no agency proceeding is pending and if the Comptroller General reviews the interrogatory before it is sent in order to avoid "undue burden."

House bill: Same provisions except no review by the Comptroller General.

Private participants in agency proceedings do not have their own interrogatory powers but can only request the host agency to gather needed information. Consumer groups consider it essential to give the agency independent information gathering authority and will be very critical of

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any attempt to remove it. Opponents point out that the agency will not have regulatory or law enforcement functions and, therefore, its access to compulsory process should be comparable to that of other participants in a proceeding.

In addition, they argue that awarding the ACA interrogatory authority would increase the paperwork burden on the private sector—a factor to consider in light of the Administration's pledge to reduce paperwork burdens on private industry.

#### Decision

- Allow the ACA to issue interrogatories if no agency proceedings are pending. (House bill)
- 2. Allow the ACA to issue interrogatories if no agency proceedings are pending and if the Comptroller General approves the issuing of the interrogatory. (Senate bill)
- Allow ACA to have the same access to host agency information gathering mechanisms as private parties. (Recommended)

### III. ORGANIZATION OF THE ACA

Senate bill: requires new resources and staffing, except for the transfer of one GSA office.

House bill: allows the Director of OMB (not the President) to transfer to ACA duplicate units of existing agencies.

#### See Comment C, Attached

Unless you disapprove, we plan to urge that the ACA be created through the consolidation of the consumer advocacy related functions from existing agencies to the maximum feasible extent. This will permit us to characterize our proposal as mainly a reorganization, rather than simply the creation of a new agency. A preliminary inventory of consumer affairs offices indicates that 21 organizational units within 14 departments and agencies might be transferred. Approximately 400 people and nearly \$14 million are covered by this list. These include the units set up under President

Ford's directive to establish agency Consumer Representation Plans, which you have directed us to eliminate.

The question remains as to how to implement this reorganization approach. Do we want to:

- -- enumerate in the bill the functions to be transferred; or
- -- use the President's anticipated general reorganization authority after the creation of the ACA to reorganize?

#### Decision

- Prescribe in the legislation the existing functions to be transferred. (House bill) (Recommended)
- Commit to submit a reorganization plan after passage of this legislation.

If you accept the recommendations we have made, consumer groups and, to a lesser extent, congressional sponsors of the bill will be disappointed. However, these changes will in no way impair the basic concept of the ACA--to give consumer interests a voice in federal proceedings comparable to that provided by industry lobbyists and lawyers. If you appoint a Special Assistant for Consumer Affairs, who will effectively shepherd the bill through Congress, we believe that consumer groups will be assured that the Administration is following through on your commitments to support the ACA.

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#### COMMENTS

A. Bob Lipshutz' office questions whether the ACA should represent itself in the Supreme Court. With the exception of a few independent regulatory agencies, the Solicitor General's office at Justice presently represents all Federal agencies before the Court. Historically, one of the SG's principal functions has been to arbitrate interagency differences which crop up in the lower courts, so that there will be only one government position at the Supreme Court level.

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- B. Jack Watson argues that the ACA should be allowed in agency enforcement proceedings. To limit intervention to rule-making proceedings ignores the fact that some agencies (e.g., FTC) use enforcement proceedings to set policy. If it is to be effective, the ACA must be able to intervene in all policy-setting functions. We are not talking about a "second prosecutor," but a check on an agency's ability to make a backroom deal and settle a case.
- C. Jack Watson suggests that you qualify any statement that the ACA will be created through the consolidation of consumer-related units from existing agencies. As you know, the Democratic Platform pledged support for the ACA and other government-financial "systems for low-cost redress of consumer complaints," some of which would logically be housed in the Departments and agencies. To eliminate them and generate expectations that ACA will handle all consumer functions will increase consumer frustrations. Some agencies--ICC, Federal Maritime Commission--are active and able consumer advocates. Their functions should not be destroyed.

The most important need is to leave flexibility to Cabinet Secretaries in designing their intra-departmental reorganization plans, consistent with an independent ACA.

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WASHINGTON

Date: March 7, 1977 **MEMORANDUM** 

FOR ACTION:

The Vice President commun . general want

Frank Moore Jack Watson

FOR INFORMATION: Hamilton Jordan

Jody Powell Midge Costanza

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Stu Eizenstat memo 3/4/77 re Proposed Agency for

Consumer Advocacy (ACA)

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME:

9:00 A.M.

DAY:

Wednesday

DATE:

March 9, 1977

**ACTION REQUESTED:** 

X\_ Your comments

Other:

**STAFF RESPONSE:** 

\_\_\_ I concur.

Please note other comments below:

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PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

WASHINGTON

March 4, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT

Stu

SUBJECT:

Proposed Agency for Consumer

Advocacy (ACA)

This memorandum was prepared under my supervision by Si Lazarus of the Domestic Policy Staff and Harrison Wellford, Peter Petkas, and Stan Morris of OMB.

#### Background

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- -- independence vis-a-vis the President;
- -- the status of the agency vis-a-vis other agencies and private parties;
- -- the organization of the agency.

In each of these areas, this memorandum will set out the issues and available options. It will compare the bill as passed by the House in the 94th Congress and the draft prepared by the Senate Government Operations Committee staff for possible introduction into the 95th Congress.

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- -- the degree of agency self-representation in the courts; and
- -- budgetary and legislative by-pass authority.

### A. Term of the Administrator

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House bill: Administrator serves at the pleasure of the President.

The traditional executive position has been to support appointees who serve at the pleasure of the President to assure some agency accountability. Chairman Brooks also favors such a provision. Ralph Nader and other consumer leaders support an administrator with a fixed term.

### Decision (check one option)

- Administrator with a fixed term (Senate bill)
- Administrator who serves at the pleasure of the President (House bill) (Recommended)

### B. Judicial Representation

Both bills: ACA will represent itself in court rather than being represented by the Justice Department.

The Justice Department recommends that the ACA represent itself in all courts except the Supreme Court. The Department feels strongly that, here, as in most other cases involving federal agencies, the Solicitor General should select those cases that merit the attention of the Supreme Court. Consumer groups, on the other hand, argue that such a limitation would impair the agency's effectiveness and create a conflict of interest for Justice, since it would normally have represented the very agency challenged by the ACA in the lower courts.

#### Decision

- Judicial self-representation except before the Supreme Court.
- Complete self-representation (Both bills) (<u>Recommended</u>)

#### C. Budgetary and Legislative By-Pass

Both bills: ACA annual report, submitted simultaneously to the President and Congress, would contain recommendations for future funding levels as well as legislative recommendations.

The executive branch has traditionally opposed bills which require agency budget and legislative recommendations to be transmitted to Congress before the President has reviewed them.

#### Decision

1.	Support legislative and budgetary by-pass authority.	
2.	Oppose legislative and budgetary by-pass authority. (Recommended)	

#### II. STATUS OF THE AGENCY IN RELATION TO OTHER PARTIES

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#### A. Participation in Agency Decision-making

Both bills: Authorize ACA intervention and participation in formal and informal agency "proceedings" as well as in "any activity" of an agency that might substantially affect consumers.

There is no objection to the ACA's intervening in formal and informal proceedings. But the scope of this term "activities" is unclear and overly broad. It would permit the ACA to intervene in virtually everything. For example, could the ACA demand a right to participate in meetings, luncheons, informal discussions, etc., or to comment on the subjects discussed?

#### Decision

1. Allow the ACA to intervene in agency "activities" (Both bills)

2. Restrict ACA intervention to formal and informal "proceedings," as defined in the Administrative Procedure Act. (Recommended)

#### B. ACA Role in Enforcement

Senate bill: provides for ACA intervention in enforcement proceedings.

House bill: requires ACA to work through agency enforcement officials rather than to intervene independently.

The Justice Department feels strongly that turning the ACA into a second prosecutor in enforcement proceedings would be unnecessary and unfair. Consumer groups feel that ACA intervention in enforcement proceedings will assure that the enforcement agency adequately considers consumer interests.

#### Decision

- Allow intervention by ACA in agency enforcement proceedings. (Senate bill)
- Require the ACA to work through agency enforcement officials. (House bill) (Recommended)
  - C. Access to Private Sector Information (Interrogatories)

Senate bill: ACA may direct interrogatories (written questions) to businesses above a certain size if no agency proceeding is pending and if the Comptroller General reviews the interrogatory before it is sent in order to avoid "undue burden."

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In addition, they argue that awarding the ACA interrogatory authority would increase the paperwork burden on the private sector -- a factor to consider in light of the Administration's pledge to reduce paperwork burdens on private industry.

#### Decision

- Allow the ACA to issue interrogatories if no agency proceedings are pending. (House bill)
- Allow the ACA to issue interrogatories if no agency proceedings are pending and if the Comptroller General approves the issuing of the interrogatory. (Senate bill)
- Allow ACA to have the same access to host agency information gathering mechanisms as private parties. (Recommended)

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Unless you disapprove, we plan to urge that the ACA be created through the consolidation of consumer-related units from existing agencies to the maximum feasible extent. This will permit us to characterize our proposal as mainly a reorganization, rather than the creation of a new agency. A preliminary inventory of consumer affairs offices indicates that 21 organizational units within 14 departments and agencies might be transferred. Approximately 400 people and nearly \$14 million are covered by this list. These include the units set up under Presi-

dent Ford's directive to establish agency Consumer Representation Plans, which you have directed us to eliminate.

The question remains as to how to implement this reorganization approach. Do we want to:

- -- enumerate in the bill the specific offices to be transferred; or
- -- use the President's anticipated general reorganization authority after the creation of the ACA to reorganize?

#### Decision

- Prescribe in the legislation the existing functions to be transferred. (House bill) (Recommended)
- 2. Commit to submit a reorganization plan after passage of this legislation.

If you accept the recommendations we have made, consumer groups and, to a lesser extent, congressional sponsors of the bill will be disappointed. However, these changes will in no way impair the basic concept of the ACA--to give consumer interests a voice in federal proceedings comparable to that provided by industry lobbyists and lawyers. If you appoint a Special Assistant for Consumer Affairs, who will effectively shepherd the bill through Congress, we believe that consumer groups will be assured that the Administration is following through on your commitments to support the ACA.

WASHINGTON

March 9, 1977

MEMORANDUM TO:

RICK HUTCHESON

FROM:

DOUG HURON

RE:

Eizenstat Memo Re ACA

I concur generally with the approach in the memo but question whether the ACA should represent itself in the Supreme Court (Item I.B, p.2). With the exception of a few independent regulatory agencies, the Solicitor General's office at Justice presently represents all Federal agencies before the court. Historically, one of the SG's principal functions has been to arbitrate interagency differences which crop up in the lower courts, so that there will be only one government position at the Supreme Court level.

I believe it is important that the Executive Branch resolve its differences itself, rather than letting the Supreme Court make the determination. The present system, in which only Justice appears in the Court, tends to stimulate such internal resolution. The entire process, moreover, is subject to Executive direction.

Date: March 7, 1977

MEMORANDUM

FOR ACTION:

The Vice President Bob Lipshutz Frank Moore Jack Watson

FOR INFORMATION: Hamilton Jordan

Jody Powell

Midge Costanza

FROM: Rick Hutcheson, Staff Secretary

SUBJECT:

Stu Eizenstat memo 3/4/77 re Proposed Agency for

Consumer Advocacy (ACA)

YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

TIME:

9:00 A.M.

DAY:

Wednesday

DATE:.

March 9, 1977

**ACTION REQUESTED:** 

X Your comments

Other:

**STAFF RESPONSE:** 

\_\_\_\_ I concur.

No comment.

Please note other comments below:

#### PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

WASHINGTON

March 9, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

JACK WATSON

RE:

STU EIZENSTAT'S MEMO ON THE ACA

I concur in all but two recommendations:

On page four, I suggest that intervention by the ACA be allowed in agency enforcement proceedings. To limit intervention to rule-making proceedings ignores the fact that some agencies (e.g., the FTC) use enforcement proceedings to set policy. If it is to be effective, the ACA must be able to intervene in all policy-setting functions. We are not talking about a "second prosecutor," but a check on an agency's ability to make a backroom deal and settle a case.

On page five, I suggest that we qualify any statement that the ACA will be created through the consolidation of consumer-related units from existing agencies. As you know, the Democratic platform pledged support for the ACA and other government-financial "systems... for low-cost redress of consumer complaints," some of which would logically be housed in the Departments and agencies. I think such mechanisms should exist. To eliminate them and thereby generate expectations that the ACA will handle all consumer functions will only increase consumer frustrations. Moreover, some agencies -- the ICC, the Federal Maritime Commission-have extremely active and able consumer advocates. Their function should not be destroyed.

Perhaps most important is the need to leave flexibility to the Cabinet Secretaries in designing their intra-departmental reorganization plans -- consistent, of course, with an independent ACA.

## THE WHITE HOUSE WASHINGTON

March 10, 1977

Frank Moore -

The attached note to Senator Humphrey is forwarded to you to arrange delivery.

Rick Hutcheson

Re: Assistance with Paul Warnke
Nomination

## THE WHITE HOUSE WASHINGTON

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POWELL	CLOUGH
WATSON	FALLOWS
FOR STAFFING	FIRST LADY
FOR INFORMATION	GAMMILL
FROM PRESIDENT'S OUTBOX	HARDEN HOYT
LOG IN/TO PRESIDENT TODAY	HUTCHESON
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## THE WHITE HOUSE WASHINGTON

To den Humphrey Thank you for your Strong à affective support of fauf Warnke. I believe This action Will pay rich distidents of your sound judgment f feadership ability. Your friend timuy

March 10, 1977

Frank Moore -

The attached note from the President to Senator Cranston is forwarded to you for the handling of the delivery.

Rick Hutcheson

Re: Assistance in Warnke
Confirmation

## THE WHITE HOUSE WASHINGTON

MONDALE COSTANZA EIZENSTAT JORDAN LIPSHUTZ MOORE POWELL WATSON  FOR STAFFING FOR INFORMATION FROM PRESIDENT'S OUTBOX LOG IN/TO PRESIDENT TODAY IMMEDIATE TURNAROUND  ENROLLED BILL Staffing comments should go to Bert Carp within 48 hours; due from Carp to Staff Secretary next day.  CAB DECISION EXECUTIVE ORDER Staffing comments should go to Doug Huron within 48 hours; due from	ARAGON BOURNE BRZEZINSKI BUTLER CARP H. CARTER CLOUGH FALLOWS FIRST LADY GAMMILL HARDEN HOYT HUTCHESON JAGODA KING KRAFT LANCE LINDER MITCHELL POSTON PRESS B. RAINWATER SCHLESINGER SCHULTZE SIEGEL SMITH WELLS VOORDE
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## THE WHITE HOUSE WASHINGTON

3-10-77

To Sen hauston

effective work for the fact land was important to me water our mation to make the matches, I believe, to world peace.

Thank you!

Fimmy

WASHINGTON

March 9, 1977

MEETING WITH BERT LANCE, ET AL
Thursday, March 10, 1977
2:10 p.m (1 hour)
The Oval Office

From: Bert Lance

Jim McIntyre

Harrison Wellford

#### I. PURPOSE

To discuss the overall plan for conducting the Federal Reorganization and Management Improvement Program and related subjects.

#### II. BACKGROUND, PARTICIPANTS & PRESS PLAN

- A. Background: The campaign pledge which characterizes a major theme of the Carter Administration is your promise to reorganize the structure and improve the management of the federal government to make it more understandable, more efficient and more responsive in serving the American people. The scope and complexity of federal government make this one of the most ambitious goals that you have set for your Administration.
- B. Participants: Bert Lance
  Jim McIntyre
  Harrison Wellford
  Dave Woodham
  Hamilton Jordan
  Stu Eizenstat
  Frank Moore
  Jack Watson
  Richard Harden
- C. Press Plan: White House photographer

#### III. TALKING POINTS

- 1. We will summarize the objectives of federal reorganization, present an overall strategy for conducting the reorganization program, and describe the organization of the project effort and the project schedule for 1977. Once you have reacted to the general direction we recommend for the project effort, we will proceed to develop the following items:
  - detailed work plans
  - methods for inventorying current federal organizations and functions
  - detailed project staffing plans
  - a clearly defined process to assure coordination with and input from White House staff, Cabinet Secretaries, Congress and Congressional staffs, and the general public
- We will also discuss the current status of our reorganization efforts and the relationship between that overall reorganization program and the internal reorganization efforts currently underway in several departments.
- 3. Finally, we are going to seek your comments on several matters of critical importance to us at this stage in our planning:
  - Your reaction to the various elements of our proposed plan for conducting the reorganization effort. We need to know approaches to avoid as well as those with which you agree.
  - Your preferences regarding the way in which we communicate with you about the progress of the work and any problems we encounter.

- -- Regular (biweekly or monthly) written status reports to you (or to specified members of your staff)?
- -- Periodic status meetings?
- -- Other means?
- The degree to which you want to be involved in reviewing specific reorganization recommendations.
  - -- Personal review of all recommendation memoranda?
  - -- Staff review of all recommendation memoranda with summaries of key elements sent to you for your review?
  - -- Review meetings with reorganization teams to discuss recommendations?
  - -- Other approaches?
- The degree to which you want to be personally involved in formally reviewing reorganization proposals with the Cabinet and with appropriate representatives of the Congress.
- The amount of time you would be able to commit to meetings and other reorganization activities. If you anticipate any substantial amount of your time being available for such activities, we need to begin blocking out that time as part of the development of our detailed work schedules.

March 10, 1977

AD HOC COALITION OF WOMEN MEETING WITH THE PRESIDENT AND THE VICE PRESIDENT

Thursday, March 10, 1977 1:30 p.m. (30 minutes) The Family Theatre, East Wing

From: Margaret Costanza

#### I. PURPOSE

To discuss three major points: the appointment of women to high level positions in the Administration; policy issues of concern to women which face the new Administration; and the role of the White House in pushing for passage of the ERA. Participants plan to make specific requests of The President and Vice President in all three areas.

#### II. BACKGROUND, PARTICIPANTS & PRESS PLAN

- A. Background: The Coalition represents over 50 national organizations with a combined membership of more than 30 women. It is primarily an outgrowth of the National Women's Political Caucus and is a strong and vocal political force. Coalition members are pleased with White House efforts to ensure passage of the ERA and were particularly happy with The President's comments on the issue during the March 5 radio call-in show. They will, however, be demanding and will make every effort to obtain firm commitments during their meeting. They may push for, among other appointments, the naming of a Cabinet-level women's advocate or affirmative action office in The White House.
- B. Participants: The President, The Vice President, Ms. Margaret "Midge" Costanza, and others. (See Attachment I)
- C. Press Plan: Photo pool (1:50 p.m.); upon adjournment of meeting, the North Lawn Area will be open for Pool and members of National Women's Political Caucus to use.

#### III. TALKING POINTS

1. Appointments--The Coalition is happy with the caliber of women named to top positions within government, but

feel that not enough has been done in this area. Representatives of the group tell us they asked Hamilton Jordan during a recent meeting to provide a written monthly report from Presidential Personnel indicating progress in the hiring of women; they hope that Cabinet Secretaries will be asked to feed such information into Presidential Personnel. The group requested that Cabinet Secretaries name a liaison for women's issues in each agency. They have also made it known that they would like to see a woman named to head up the Civil Rights Divisions of HEW and Justice, as well as the Office of Federal Contract Compliance and the EEOC (they hope Eleanor Holmes Norton is being considered for the EEOC spot); may ask for Cabinet-level women's advocate; and will push for appoitments to IWY Commission.

2. Impact of New Economic Plan-The Coalition voiced dismay over omission of specific reference to women in the economic stimulus package and they will probably ask for a women's impact statement on every federal program. The President may want to remind the group of his sensitivity to the particular economic problems faced by women by reinterating his October 1976 pledges:

--To ensure that EEOC catches up on backlog of discrimination cases;

--To strengthen enforcement by Federal Contract Compliance Programs of Executive Order 11246's affirmative action requirements for contractors;

--To insist on hiring practices that bring more women into high level positions;

- -- To curb unfair economic practices in granting of credit and insurance.
- 3. Education and Training—The Coalition will call for vigorous enforcement of Title IX, Education Amerdements of 1972, which provide for equal access to education; also on their agenda is discussion of increased funding for the Women's Equity Act and for elimination of sex discrimination under Title IV of the Civil Rights Act. Access for women to job training and employment programs will also be raised.
- 4. Welfare Reform--Viewed as primarily a women's issue; almost half of all families below poverty line are headed by women. The Coalition will want to reiterate their interest.
- 5. Health Issues, Social Security, Child Care and Tax Reform will be raised, but probably only touched upon as time is short.
- 6. ERA--The President might want to bring Coalition up to date on any plans for pushing the passage of ERA. The Coalition will be requesting a more organized, on-going effort in this

#### PARTICIPANTS

Meredith Homet Muriel Fox Dr. Helen B. Wolfe Betty King Nancy Payan Dolan Rosalyn Baker Karen DeCrow Allene Joyce Skinner O. J. Spencer Jean McKee Yvonne Price Ellen L. Overton Janice Mendenhall Edith Barksdale Sloane Bernice Sandler Clelia Steele Mary Jane Tully Mae Walterhouse Carmen Delgado Kathy Fahnestock Marialice W. Carter Lee Novick Eileen Thornton Ruth C. Clusen Julia Graham Lear Jean O'Leary Susan Harjo Margot Polivy Alice Hayman

Also attending are:

Mark Siegel Barbara Blum Cookie Lutkefedder Kathy Cade Mary King Anna Marie Revvera Frederica W. Wechsler Joan Tighe Laurie Shields Lori Simmons Daisy Fields Liz Carpenter Ann Zill Denise Cavanaugh Donna Shaulik Louise Smothers Marcia D. Greenberger Sally Katzen Amy Isaacs Koryne Horbal Dorothy Height Mildred Jeffrey June Culbreth Audrey Colom Jane McMichael Karen Mulhauser June Roberts Carol Burris Lorenia Butler Betsy Griffith Rhea Hammer Anita Nelam Margaret Dunkle

## THE WHITE HOUSE WASHINGTON

March 9, 1977

MEETING WITH MEMBERS OF CONGRESS

ON WATER RESOURCE PROJECTS

Thursday, March 10, 1977

Room 450, Executive Office Building

From: Stu Eizenstat Stu Frank Moore FM

#### I. PURPOSE

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To discuss water projects with affected Members of Congress.

#### II. BACKGROUND, PARTICIPANTS & PRESS PLAN

- A. Background: By the time you arrive at the meeting:
  - 1. Vice President Mondale will have introduced the Administration spokesmen.
  - 2. Mr. Lance will have described the ongoing review of water projects:
    - a. initial screening criteria
    - b. information to be gathered
    - c. public hearings
    - d. public availability of information developed
    - e. April 15 deadline for recommendations to the Congress
  - 3. Secretaries Andrus and Alexander and CEQ Chairman Warren will have given a brief description of their agencies' roles in the review process.
  - 4. There may have been some Questions and Answers.

- 5. On March 9, the Vice President met with Senate Democrats, whose main concerns are:
  - a. whether you fully realize the political pressures they must bear.
  - b. whether you <u>personally</u> feel strongly about this issue or are being guided mainly by staff.
- 6. There are three "lists" of projects now in Congress' hands:
  - a. the original list of 19 projects
  - b. a list of projects leaked by the Bureau of Reclamation, which has been confirmed by Andrus as needing further review
  - c. a list of 37 Corps of Engineers projects which do not have a cost/benefit ratio of more than 1 at 6 and 3/8%, requested by and supplied to Senator Stennis' Subcommittee on Public Works of the Senate Appropriations Committee.
- B. <u>Participants</u>: see attached list for Members of Congress.
- C. Press Plan: No press coverage, but press releases will be issued by individual Administration participants. Also, Mr. Lance will be holding his regular press conference immediately after the meeting.

#### III. TALKING POINTS

- I recognize the value of water resources development, both in our nation's past and in its future. I share your concerns regarding water supply, transportation, power and flood control problems.
- My February 21 budget recommendations to you on 19 water projects were, I know, not what you wanted to hear. This was not a decision I made lightly, and not one which I alone can implement.
- I understand the political pressures you feel; I went through it with the Sprewell Bluff Dam in Georgia.

- As my February 21 letter to you stated, we are undertaking a study of <u>all</u> water projects, including the 19 for which no funding was recommended for FY 1978, to ensure that the water projects we do undertake are economically sound, environmentally sensible and safe. This fulfills a pledge which I made repeatedly during the campaign.
- I will insist that this review be open and on the merits. The recommendations I will make on April 15 will be based on sound information and on public hearings. I intend to take fully into account employment, power and economic considerations.
- The members of my Cabinet and I will work closely with you to see that our water resources goals are achieved through sound expenditures of public funds which benefit the most people at the least environmental and safety risk.

#### SENATE PARTICIPANTS

Abourezk, James (D-S.D.) Bartlett, Dewey F. (R-Okla) Burdick, Quentin N. (D-N.D.) Byrd, Robert C. (D-W.Va.) Cranston, Alan (D-Cal.) Danforth, John C. (R-Mo) DeConcini, Dennis (D-Ariz) Domenici, Pete V. (R-N. Mex) Ford, Wendell H. (D-Ky) Garn, Jake (R-Utah) Goldwater, Barry (R-Ariz) Gravel, Mike (D-Alaska) Hansen, Clifford P. (R-Wyo) Hart, Gary (D-Colo) Hatch, Orrin G. (R-Utah) Hathaway, William D. (D-Maine) Hayakawa, Sam (R-Calif) Hollings, Ernest F. (D-S.C.) Huddleston, Walter (D-Ky) Johnston, J. Bennett, Jr. (D-La.) Long, Russell B. (D-La) McGovern, George (D-S.D.) Nunn, Sam (D-Ga) Schmitt, Harrison (R-N.Mex) Stennis, John C. (D-Miss) Thurmond, Strom (R-S.C.) Wallop, Malcolm (R-Wyo) Young, Milton R. (R-N.D.)

#### HOUSE PARTICIPANTS

```
Abdnor, James (R-S.D.)
Alexander, Bill (D- Ark)
Anderson, John B. (R-Ill.)
Andrews, Mark (R- N.D.)
Barnard, D. Douglas, (D-Ga.)
Breaux, John B. (D-La)
Cohen, William S. (R-Me)
Derrick, Butler (D-S.C.)
Evans, Frank E. (D-Col)
Ichord, Richard H. (D-Mo)
Jenkins, Edgar L. (D-Ga)
Johnson, Harold T. (Bizz) (D-Cal)
Johnson, James P. (R-Col)
Keys, Martha (D-Kan)
McFall, John J. (R-Cal)
McKay, K, Gunn (D-Utah)
Marriott, David D. (Dan) (R-Utah)
Moss, John E. (D-Cal)
Perkins, Carl D. (D-Ky)
Pressler, Larry (R-S.D.)
Rhodes, John J. (R-Ariz)
Roncalio, Teno (D-Wyom at Large)
Rudd, Eldon D. (R-Ariz)
Snyder, M. G. (Gene) (R-Ky)
Stangeland, Arlan (R-Minn)
Stump, Bob (D-Ariz)
Udall, Morris K. (D-Ariz)
Watkins, Wesley W. (D-Okla)
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#### WATER RESOURCE PROJECTS MEETING

#### March 10, 1977

#### Corps of Engineers

Cache Basin (Ark) Bill Alexander (D-Ark 1) Richard B. Russell Project Edgar L. Jenkins (D-Ga 9) Butler Derrick (D-SC 3) (Ga-SC) D. Douglas Barnard, Jr. (D-Ga 10) John B. Anderson (R-Ill 16) Freeport (Ill) Grove Lake (Kan) Martha Keys (D-Kan 2) M. G. (Gene) Snyder (R-Ky 4) Dayton (Ky) Paintsville Lake (Ky) Carl D. Perkins (D-Ky 7) Yatesville Lake (Ky) Carl D. Perkins (D-Ky 7) Atchafalaya River & Bayous Chene, Boeuf & Black (La) John B. Breaux (D-La 7) Dickey-Lincoln School Lakes (Me) William S. Cohen (R-Me 2) Richard H. Ichord (D-Mo 8) Meramec Park Lake (Mo) Lukfata Lake (Okla) Wesley W. Watkins (D-Okla 3) Bureau of Reclamation Central Arizona Project (Ariz) John J. Rhodes (R-Ariz 1) Morris K, Udall (D-Ariz 2) Bob Stump (D-Ariz 3) Eldon D. Rudd (R-Ariz 4) Auburn-Folsom South, Central Harold T. (Bizz) Johnson (D-Cal 1) Valley Project (Cal) John E. Moss (D-Cal 3) John J. McFall (R-Cal 14) Dolores (Colo) Frank E. Evans (D-Colo 3) Fruitland Mesa (Colo) Frank E. Evans (D-Colo 3) Savery-Pot Hook (Colo-Wyom) James P. Johnson (R-Colo 4) Teno Roncalio (D-Wyom at Large) Mark Andrews (R-ND at Large) Garrison Diversion Unit (ND-SD) Larry Pressler (R-SD 1) James Abdnor (R-SD 2) Arlan Stangeland (R-Minn 7) Oahe Unit (SD) Larry Pressler (R-SD 1) James Abdnor (R-SD 2)

Central Utah Project, Bonneville

Unit (Utah)

K. Gunn McKay (D-Utah 1)

David D. (Dan) Marriott (R-Utah 2)

March 10, 1977

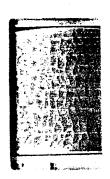
Stu Eizenstat -

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

### Rick Hutcheson

cc: Bert Lance Bob Lipshutz

Re: Request for Information
Regarding the Ninetten Major Water
Projects Deleted from the Ford
Budget





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EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

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MEMORANDUM FOR THE PRESIDENT

FROM:

Bert Lance

SUBJECT:

Request for Information Regarding the Nineteen

Major Water Projects Deleted from the Ford Budget

The Office of Management and Budget and three other agencies have received requests for "all documents, studies, reports and other written memorandum" concerning the nineteen deleted water resources projects. One request was signed by Senators Haskell and Hart and Representative Evans from Colorado, and referenced both the Freedom of Information Act and the legislative responsibilities of these Members of Congress. The second request is from the Daily Sentinel of Grand Junction, Colorado, and was made pursuant to the Freedom of Information Act.

The materials at OMB falling within the scope of these requests include a letter from the Council on Environmental Quality to me providing information on the "dirty thirty". Also included is a detailed description of each of the over thirty projects originally considered for deletion from the Ford Budget, with cost benefit ratio, budgetary data, safety, environmental and economical problems and a discussion of the legal and congressional interest involved for each. There are also some staff working papers included among the documents requested.

The release of the documents requested could provide additional ammunition with which to attack the decision to delete the nineteen projects. The release of the information could permit the decision to be cast in partisan terms. The Council on Environmental Quality staff and my staff are not anxious to have some of the information released.

We propose to take information on these nineteen projects to the Members of Congress who requested it today Tomorrew. The information we will give them will summarize the data in our files and we will attempt to meet every reasonable

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request they have concerning information about the projects, and this may include disclosing to them portions of the material in our files. With regard to the Freedom of Information Act request from the Daily Sentinel, we will disclose essentially the same information.

We will continue to coordinate our efforts with Bob Lipshutz and with the other agencies who have received requests for this information.



### CHRISTIAN BUSINESS MEN'S COMMITTEE OF USA

799 Roosevelt Road

Glen Ellyn, Illinois 60137

Phone (312) 858-1660

Τo President Jimmy Carter White House (Personal Mail) Washington, D.C. 20500

Date		
Mar	ch 4, 1977	- 4
Attention of		
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#### MESSAGE

Dear Jimmy:

Fust a note to ask you if you would prefer your mail be mailed to the White House inste of the Plains, Ga. address that we have for you.

Also, has anyone told you that we have two committees in Washington, D.C.? The CMBC of Washington, D.C. Downtown meets on the 3rd Tuesday at noon, George Washington Universit Edward T. Britton, III is the chairman of the group. He can be contacted at (703) 560-(202) 293-4456. Off:

The other is CBMC of Washington, D.C. Southeast. They have outreach breakfasts every 1 and 3rd Saturday 8 a.m.. Mr. William A. Yoder is the chairman and can be contacted at (301) 449-6611; 868-4649.

We know you are busy but maybe you would like a bit of Christian fellowship. If you wish to transfer your membership from the CBMC of Atlanta Downtown, please let m know. A new membership card will be issued.

Sincerely, Marjorie Anderson, Mrs. Membership Secretary

NSWER

Mail Leave in Georgia
House in Georgia

Signed

Date

Vertical

# THE CHIEF OF PROTOCOL DEPARTMENT OF STATE WASHINGTON

March 3, 1977

MEMORANDUM FOR THE PRESIDENT AND MRS. CARTER:

Subject: Gift Exchange during the Official Visit of The Right Honorable the Prime Minister of the United Kingdom of Great Britain and Northern Ireland and Mrs. Callaghan, March 9 - 12, 1977

I recommend that a formal photograph be taken of the two couples prior to the White House Dinner, Thursday, March 10, to be placed in a <u>vertical</u> sterling silver frame with the Presidential Seal and presented to the distinguished couple.

The following is a suggested inscription:

To The Right Honorable
The Prime Minister of the United Kingdom of
of Great Britain and Northern Ireland
and Mrs. Callaghan,

On the occasion of your Official Visit to Washington, D.C., March 9 - 12, 1977,

With best wishes,

Jimmy Carter March 10, 1977

Rosalynn Carter

Evan S. Dobelle



To our good friends time Minister and Who. Callaghan.

Timung Carter White House 3/10/17

March 10, 1977

Jim Fallows -

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

Re: UN Speech Notes





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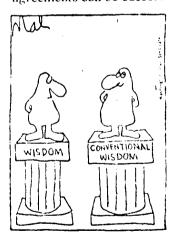
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Warnke chould be put on the team

For the first time we have a president who is an export in nuclear matters. In his campaign for election and since then he has shown a determination to minimize the risk of a nuclear holocourt Many people had gives up on controlling the promeration of nuclear weapons but not President Carter. He is already at work to stop the international sale of nuclear power plants without safeguards against the use of the spent nuclear fuel being used to extract plutonium for nuclear weapons. To achieve this objective he needs Soviet support. He has stated his actermination to work for agreements with the Soviet Union and only to: placing a munual ceiling or nuclear weapons (SMA) 12) but to press on promptly on agreements for a mutual reduction of weapons. In addition he accepts Brezhnev's offer to negotiate a comprehensive test ban to

new weapons systems. I believe we have an historic moment when these agreements can be success-

stop the development of



Mr. Harriman, former ambassador to the Soviet Union and elder statesman of the Democratic party, was a foreign policy adviser to President Carter during the presidential campaign.

fully negotiated. In my long talks with General Secretary Brezhnev over the past 21/2 years I am convinced he also wants to do everything he can to save his country from the disaster of nuclear war. The memory of the tragic human suffering with 20 milition killed and the devastating destruction of World War II are still vivid in the Soviet mind

If these negotiations fail we may never have another opportunity with such promise. Scientific acvelorments on both sides will make agreements infinitely more difficult.

! believe the American people will give President Career their full support when the issue is understood. A lot of confusion is being caused today by the question of confirmation of Paul Warnke as director of the Arms Control and Disarmament Agency and secretary of Defense and chief negotiator with the Soviets. People who want agreement only on their own terms are trying to block confirmation by all kinds of mis-statements of Warnke's opinions. It is clear that to get an agreement we must agree to what rough equivalence. This is complicated because we are succeed in these historic neahead of the Soviets in some areas and they are ahead of

us in others. Most experts believe we are about in bai ance in terms of the Vladi vostok Agreement. How ever, new problems have arisen because each side has introduced new weapons - the cruise missile on our side and the Backfire bomber on the Soviet side. Solutions to these new problems must be negotiated before the final agreement can be reached.

Fallows UN meter

President Carter wants Paul Warnke to join his team. Final decision will ; always be President Carter's and final approvai rests with a two-thirds majoraty of the Senate.

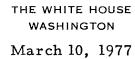
I have known Paul Warnke ien years or more, and I can well understand why the President wants him. He is one of the ablest and wisest men i have ever worked with in governmen-

Warnke answered all the charges against him in testimony before the Sen co Foreign Relations Commutee, yet distortions of he views still continue Be sides, a U.S. negociator can only act on instructions from the president after consultations with his secretary of State and the Joint Chiefs of Staff.

I believe also that the President intends to keep the appropriate congressional leaders currently informed. Under these cir cumstances, the President should be able to expect the President Carter calls Senate to support him in the man he wants to help him gotiations with so much at stake.

Week, Fel 23, 1977 Washington Star

**Electrostatic Copy Made** for Preservation Purposes



Frank Moore

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

cc: Jim Schlesinger

Telephone Call to Rep. Walter Flowers





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THE WHITE HOUSE

WASHINGTON

CONGRESSIONAL TELEPHONE CALLS

Rep. Walter Flowers (7th, Alabama), George Brown (36th, California), and Dale Milford (24th, Texas).

DATE:

TO:

Afternoon of March 8, 1977

RECOMMENDED BY:

Jim Free, Dave Freeman, and Fred Hitz

PURPOSE:

To encourage the Representatives, who are members of the Subcommittee on Fossil and Nuclear Energy Research, Development and Demonstration (Science and Technology Committee), to vote to keep ERDA funding on the breeder program at the President's recommended level.

**BACKGROUND:** 

Rep. Mike McCormack is leading the effort to put back \$200 million in the ERDA budget for the breeder reactor program. Rep. Flowers chairs the Subcommittee and most of the undecided Freshmen will follow his lead. Rep Brown has much influence with the environmentalists on the Subcommittee but is leaning toward restoring the breeder money. Rep. Milford is leaning toward restoring the money and should be made aware of the importance the Administration attaches to the vote.

TOPICS OF DISCUSSION:

- 1. This is the first bill in the House Science and Technology Committee and the first energy related bill since the Emergency Natural Gas Act to be voted on and we don't want to lose.
- We need time to properly evaluate breeder technology in light of the comprehensive energy policy being sent to the Hill on April 20th.

APPROVED BY FRANK MOORE

March 8, 1977

Date of Submission: ( thru TK)

**Electrostatic Copy Made for Preservation Purposes** 

March 10, 1977

Frank Moore -

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

Re: Congressional Reactions





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#### OTHER ACTIVITIES (Cont'd)

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Abourezk (D-SD) Anderson (D-Minn) Bayh (D-Ind) Biden (D-Del) Brooke (R-Mass) Bumpers (D-Ark) Burdick (D-ND) Byrd (D-WVa) Case (R-NJ) Chafee (R-RI) Church (D-Ida) Clark (D-Iowa) Cranston (D-Cal) Culver (D-Iowa) Durkin (D-NH) Eagleton (D-Mo) Eastland (D-Miss) Ford (D-Ky) Glenn (D-Ohio) Gravel (D-Ala) Hart (D-Col) Haskell (D-Col) Hathaway (D-Ma) Hollings (D-SC) Huddleston (D-Ky) Humphrey (D-Minn) Inouye (D-Ha) Kennedy (D-Mass) Leahy (D-Vt) Long (D-Ga) Matsunaga (D-Ha) McGovern (D-SD) McIntyre (D-NH) Melcher (D-Mont) Metcalf (D-Mont) Metzenbaum (D-Ohio) Morgan (D-NC) Muskie (D-Ma) Nelson (D-Wis) Pearson (R-Kan) Pell (D-RI) Percy (R-Ill) Proxmire (D-Wis) Randolph (D-WVa) Riegle (D-Mich) Ribicoff (D-Conn) Sarbanes (D-Md) Sasser (D-Tenn) Sparkman (D-Ala) Stafford (R-Vt)

Stevenson (D-Ill) Williams (D-NJ)

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Magnuson (D-Wash) McClellan (D-Ark) Stone (D-Fla) Hatfield (R-Ore)

#### Unknown/Undecided -- 10

Bellmon (R-Okla)
Chiles (D-Fla)
DeConcini (D-Ari)
Javits (R-NY)
Johnston (D-La)
Mathias (R-Md)
Wallop (R-Wyo)
Weicker (R-Conn)
Young (R-ND)
Zorinsky (D-Neb)

#### Con -- 34

Allen (D-Ala) Baker (R-Tenn) Bartlett (R-Okla) Bentsen (D-Tex) Byrd (I-Va) Cannon (D-Nev) Curtis (R-Neb) Danforth (R-Mo) Dole (R-Kan) Domenici (R-NM) Garn (R-Utah) Goldwater (R-Ari) Griffin (R-Mich) Hansen (R-Wyo) Hatch (R-Utah) Hayakawa (R-Cal) Heinz (R-Pa) Helms (R-NC) Jackson (D-Wash) Laxalt (R-Nev) Lugar (R-Ind) McClure (R-Ida) Moynihan (D-NY) Nunn (D-Ga) Packwood (R-Ore) Roth (R-Del) Schweiker (R-Pa) Schmitt (R-NM) Scott (R-Va) Stennis (D-Miss) Stevens (R-Ala) Talmadge (D-Ga) Thurmond (R-SC) Tower (R-Tex)

How a curato?

Electrostatic Copy Made for Preservation Purposes

March 10, 1977

Stu Eizenstat -

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

Re: Community Services
Administration

ACTION	FYI	
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#### WHE FRESIDENT HAS SEEN.

#### THE WHITE HOUSE

WASHINGTON

March 8, 1977

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT

SUBJECT:

Joe Aragon's Report on the Community Services Admin-

istration

You requested my assessment of a number of items in the report Joe Aragon presented to you on the Community Services Administration. Events have overtaken that review. The appointment of Grace Olivarez as director of the agency has accomplished the major goal of Joe's report, which was to reassure the poverty constituency that this administration will not terminate the advocacy role of the community action agencies.

It is our view that the new director should have the opportunity to initiate any administrative or budgetary changes. In the meantime, the agency is currently scheduled to receive a one year extension along with the other components of the Economic Opportunity Act. I see no problem with immediately designating Ms. Olivarez as a member of the Welfare Reform Task Force.

ole

We have already met with people from OMB to begin discussions about how the advocacy role of CSA can be integrated into the overall plans for social services delivery. We plan to meet with the new director when she arrives in Washington to discuss the reorganization questions as well as the agency's legislative program.

I do not forsee that you will need to take any actions in this matter until after Ms. Olivarez has had a chance to develop her recommendations.

good

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Brief Comments on

REPORT FOR THE PRESIDENT

ON THE COMMUNITY SERVICES ADMINISTRATION

AN OVERVIEW
AND
SIX RECOMMENDATIONS

The Community Services Administration (CSA) was established in 1975 as the successor agency to the Office of Economic Opportunity (OEO). Unlike the OEO which was created with great enthusiasm, idealism and substantial financial support, the CSA came into this world almost a forgotten child.

The paralysis that took hold of OEO during the Nixon years greatly weakened the ability of its successor to survive. Yet, somehow this agency has survived and in the process has become a symbol of enormous significance to those in need. In effect, the agency has become the moral measure of the President's commitment to the 25 million poor people of America.

It is because of this that your response to this agency will be watched intensely and whatever action you take will assume an importance far beyond what would normally flow from a Presidential act.

The fiercely loyal supporters of this agency who have fought off numerous attempts over the years to dismantle OEO/CSA nevertheless present us with a conundrum.

As the attached report makes clear in great detail, there is institutionalized resistance to change, good or bad. Accountability is almost nil, morale is very low and the national staff is, in large measure, politicized and incompetent. In addition, CSA is bogged down with a bewildering set of regulations weighing nine pounds and cash flow/program grant procedures that are counterproductive.

Yet all the foregoing to the contrary notwithstanding, CSA still has in my opinion, great potential for good. Enough so, I believe, to warrant a chance to prove itself as an able advocate for the poor of this nation.

There is a role, I believe, for an independent, flexible, creative, advocate for the poor. OEO/CSA after all has had spectacular success with some of the programs it conceived,

(e.g., Headstart). I believe it is capable of more creativity in the future. In addition, through its local community action agencies, CSA has an impressive ability to penetrate the poverty community.

Furthermore, I am not sure that this agency which deals exclusively with the poor can perform its role adequately if it is absorbed by HEW for example. I also realize that a major reorganization of the government is ahead and CSA will, like all other agencies, have to be factored in somehow. But even with a reorganization government it does not necessarily follow that CSA would have to disappear as a unitary entity altogether. The attached report takes up these issues and makes recommendations summarized below.

#### RECOMMENDATIONS

Approval		(1)	You should request a limited extension main-
Yes	No		taining the agency's independent status but retain the option to transfer the agency into a new department in connection with a major government reorganization. (page 9)
Yes	No	(2)	You should appoint a director of independent stature and proven management ability to assume the leadership of the agency. (page 10)
Yes	No	(3)	You should augment the 1978 Budget request as recommended on page 13 of this report.
Yes	No	(4)	You should request the legislative changes relating to Federal/non-Federal sharing ratios and grant procedures set forth on page 15 of this report
Yes	No	(5)	You should direct that CSA go forward with the initial stages of the agency's plan of reorganization as set forth on page 18 of this report.
Yes Yes	No No No	(6)	You should direct that CSA:  (a) Implement zero-base budgeting.  (b) Rewrite and simplify its regulations.  (c) Include a representative of CSA on the Task Force on Welfare Reform.
Yes	_ No		(d) Designate the Director of CSA a member of the Domestic Council
Yes	No		(e) Reconstitute the National Advisory Council of CSA as outlined on page 18 of this report.

Joseph W. Aragon

March 10, 1977

Tim Kraft -

The attached was returned in the President's outbox and is forwarded to you for appropriate action.

Rick Hutcheson

Re: Appointment for Harvey Hill, Jr.

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LAW OFFICES THE TRESIDENT HAS SEEN.

#### ALSTON, MILLER & GAINES

CITIZENS & SOUTHERN
NATIONAL BANK BUILDING
35 BROAD STREET
ATLANTA, GEORGIA 30303

1800 M STREET, N.W., SUITE 1000 WASHINGTON, D. C. 20036 202-223-1300

ATLANTA, GEORGIA

March 9, 1977

Call & Sat up

President Jimmy Carter The White House Washington, D.C. 20500

Dear Mr. President:

May I meet with you for approximately 30 minutes at your convenience relative to the following matters?

- (a) Summary report on organization of your personal affairs;
- (b) Delivery of Book containing all documents relative to your personal affairs;
- (c) Summary report on your income tax matters being discussed with Georgia District Director of the Internal Revenue Service;
- (d) Discussion of our legal fees for our services to date;
- (e) Future planning of your personal affairs.

If a meeting is possible, please have someone call me to arrange a proper time. I look forward to the possibility of meeting with you.

It is a wonderful thing for the people of this Country to have a President in which we can trust and of which we can be proud.

Best regards,

Electrostatic Copy Made for Preservation Purposes

HARVEY HILL, JR.

sdp

March 10, 1977

Tim Kraft -

The attached is for your information.

Rick Hutcheson

Re: UN Speech

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Staffing comments
should go to Bert
Carp within 48
hours; due from
Carp to Staff
Secretary next day.

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Staffing comments should go to Doug Huron within 48 hours; due from Huron to Staff Secretary next day.

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THE WHITE HOUSE

WASHINGTON

MARCH 9, 1977

MEMO FOR THE RESIDENT

FROM JIM FALLOWS

SUBJECT: UN SPEECH

There is a draft of this speech in the works at the NSC. The State Department has

There is a draft of this speech in the works at the NSC. The State Department has also sent its suggestions over to the NSC. I've seen none of these versions, and I have not come across anyone who has a very clear understanding of just what emphases you want in the speech.

Because we are on a tight schedule (I will apparently not see Dr. Brzezinski's version until Friday), I would be very grateful if you could briefly outline the points and the tone you want to have in the speech. Thanks very much.

Major thrusts of our foreign policy.

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Check Compaign speeches. SALT. Howhalf.

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N/s- Support of UN- Economic.

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Auman Right. Ease tensions (travel, etc.)

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T. C

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March 10, 1977

Eleanor -

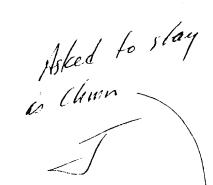
Copy not sent to Jim Schlesinger -- suggest you do so if OK with Ham.

Rick

MONDALE COSTANZA EIZENSTAT XJORDAN LIPSHUTZ MOORE POWELL WATSON FOR STAFFING FOR INFORMATION FROM PRESIDENT'S OUTBOX LOG IN/TO PRESIDENT TODAY IMMEDIATE TURNAROUND ENROLLED BILL AGENCY BILL Staffing comments should go to Bert Carp within 48 hours; due from Carp to Staff Secretary next day.  CAB DECISION EXECUTIVE ORDER Staffing comments should go to Doug Huron within 48 hours; due from Huron to Staff Secretary	ARAGON BOURNE BRZEZINSKI BUTLER CARP H. CARTER CLOUGH FALLOWS FIRST LADY GAMMILL HARDEN HOYT HUTCHESON JAGODA KING KRAFT LANCE LINDER MITCHELL POSTON PRESS B. RAINWATER SCHULTZE SIEGEL SMITH WELLS VOORDE
Secretary next day.	

#### THE PRESIDENT HAS SEEN.

# THE WHITE HOUSE



TO: PRESIDENT CARTER

FROM: HAMILTON JORDAN

RE: APPOINTMENT WITH "RED" WAGNER

Red Wagner is presently Chairman of the TVA. When you and Jim Schlesinger last talked about TVA, you expressed a desire to meet Wagner and present to him your view of the TVA and plans for the future.

Wagner's term is not up until 1978. Schlesinger's recommendation is that you leave Red in as Chair until 1978, but prepare him then for the prospect of new leadership for the TVA.

You, of course, have the option now to name a new chair. Jim thinks that is buying trouble for the TVA that is not needed.

Electrostatic Copy Made for Preservation Purposes

March 10, 1977

#### Z. Brzezinski

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

cc: Tim Kraft

Visit to Egyptian Exhibit

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#### THE WHITE HOUSE

WASHINGTON

THE THE CHORDE HAS SETN.

ACTION

March 7, 1977

Sat avon

MEMORANDUM FOR THE PRESIDENT

FROM:

ZBIGNIEW BRZEZINSKI

SUBJECT:

Proposed Visit to Egyptian Exhibit

The Tutankhamen exhibit at the National Gallery is scheduled to close on March 15. The exhibit is a spectacular display of Egyptian artifacts, and its appearance in this country is considered as much a political as a cultural event by the Egyptian Government. It has been visited by heads of state in France and other countries where it has appeared, and we have had inquiries from the Egyptian Embassy whether you intend to visit the exhibit. In view of President Sadat's scheduled arrival in Washington only a month from now and his personal involvement in facilitating the exhibit, it would be appropriate if you and Mrs. Carter could find time to pay a brief visit.

#### RECOMMENDATION

That you and Mrs. Carter visit the Tutankhamen exhibition before it closes on March 15.

ove	Disapprove	
lrs. Carte	r pay a visit to th	e exhibit.
e	Disapprove	
	mbassy that you r	egret that you will
e	Disapprove	
1	e	Ars. Carter pay a visit to the  Disapprove Egyptian Embassy that you received the exhibit.

Electrostatic Copy Made for Preservation Purposes

FOR ACTION: Tim Kraft Jane Fenderson

FOR INFORMATION:

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Zbigniew Brzezinski memo 3/7/77 re Proposed Visit to Egyptian Exhibit.

> YOUR RESPONSE MUST BE DELIVERED TO THE STAFF SECRETARY BY:

> > TIME:

5:00 P.M.

DAY:

Wednesday

DATE:

March 9, 1977

**ACTION REQUESTED:** 

y Your comments

Other:

STAFF RESPONSE:

l concur.

No comment.

Please note other comments below:

MIS Carter could do Friday PM, Saturday Sunday (not preferved), or Monday evening. All things being squal, triday is abad day for us. JSF

I'd recommend that you do it: the NSC is now saying that it's very important, from Sadat's point of view, and, you'd enjoy it. We don't want to go during public viewing hours and jump lines --- and this exhibit has had long lines since it opened. The Gallery informs me that people will line up starting midnight Saturday for Sunday's showing. I'd suggest 9 pm Monday night, 30 minutes after Gallery is closed to public.

#### PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)



March 10, 1977

Secretary Brown -

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

#### Rick Hutcheson

cc: Z. Brzezinski

Re: Shortfalls in Department of Defense Outlays



#### THE PRESIDENT HAS SHOWN

#### THE SECRETARY OF DEFENSE WASHINGTON, D. C. 20301

8 MAR 1977

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Shortfalls in Department of Defense Outlays

Your note of March 3, 1977 requested information with respect to FY 1976 and FY 1977 shortfalls in outlays.

For FY 1976--and the transition quarter as the Federal Government moved to a new fiscal year basis--the Department of Defense fell \$5.2 billion short of the projection that was made in January 1976. Of this amount \$2.4 billion was attributed to the military assistance program and primarily involved foreign military sales transactions. This is a particularly difficult area to forecast, and the shortfall resulted from the fact that collections from our foreign customers exceeded our own disbursements by that amount. The remaining \$2.8 billion represented an underestimate of about 2.4% relative to a total estimate of \$114.2 billion for military functions. This was somewhat higher than a normal miss range of one to two percent and was probably indicative of slippages which occurred in executing contracts during that period. Such slippages were taken into consideration by the previous administration as they formulated the FY 1978 budget, and I reviewed the situation again as we developed the recent amendments.

Insofar as FY 1977 is concerned, Mike's recent statement on outlay shortfalls is based upon an October 1976 phasing plan and includes \$.7 billion for DoD military functions and \$2.1 billion for the military assistance program. In view of budgetary adjustments which have occurred since October, the Office of Management and Budget has recently requested that a revised monthly phasing plan be prepared. My own assessment is that this department is within approximately 1% of its plan for military functions. I have emphasized the importance of timely program execution in achieving our national security objectives and feel that we will continue to remain reasonably on target. The foreign military sales area is another matter, however, and we continue to experience difficulties in our projections. During the first four months of FY 1977, for example, collections exceeded disbursements by \$2.2 billion. We have been advised by Treasury that they recognize the problems in this area and attempt to take them into consideration in developing short-term borrowing requirements. Nevertheless, we hope to develop more realistic forecasts and to improve the efficiency of our foreign military sales trust fund operation.

Harold Brown

To Harold. I don't mind permanent non-expenditures or better collections re foreign military sales. I don't want expenditures delayed to a fater Flour it we can help it to unbalance later budget to suffer from J.C.

THE WHITE HOUSE

To Harold Brown

Checking with Mike,

Checking with Mike,

Can you give me your

best estimate of the

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first projected amount

lan the projected amount

be minimized?

J.C.

### THE SECRETARY OF DEFENSE WASHINGTON, D. C. 20301



8 MAR 1977

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Shortfalls in Department of Defense Outlays

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Harold Brown

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send nate to Sec'y Brown.

cc 269